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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

September 15, 2014

Certified Return Receipt  
7004 2510 0004 1824 5070

Kim Wilson  
Martinique Mining Corporation  
P.O. Box 204  
Hanksville, Utah 84734

Subject: Division Directive to Provide Adequate Surety or Reclaim, Martinique Mining Corporation, Gold Queen/Million Dollar Gulch Mine, S/017/0035, Wayne County, Utah

Dear Mr. Wilson:

There are deficiencies in your reclamation surety for the above referenced mine that needs to be rectified. The last surety estimate for the Gold Queen/Million Dollar Gulch mine was done in 2011 and escalated to 2014 dollars. The surety amount needs to be adjusted to account for changes in reclamation costs.

In a letter dated May 22, 2014, the Division notified you of the need to increase by the bond by July 31, 2014. As of today the Division has not received the bond increase.

Based on average reclamation costs, the surety amount needs to be increased from \$12,000.00 to either \$16,900.00 for a three year escalation or \$17,600.00 for a five year escalation. The average reclamation costs are outlined below:

<b>Small Mine Operation Bond Calculation Worksheet S/017/0035</b>			
<b>3-year escalation (2016)</b>			
<b>Item</b>	<b>Qty</b>	<b>Unit Cost</b>	<b>Total Cost</b>
1st Acre Disturbance	1	\$8,000.00	\$8,000.00
Add'l Acres Disturbance	1	\$5,000.00	\$5,000.00
Mob/demob over 151-200 miles	1	\$3,900.00	\$3,900.00
<b>TOTAL</b>			<b>\$16,900.00</b>



<b>5-year escalation (2018)</b>			
<b>Item</b>	<b>Qty</b>	<b>Unit Cost</b>	<b>Total Cost</b>
1st Acre Disturbance	1	\$8,300.00	\$8,300.00
Add'l Acres Disturbance	1	\$5,200.00	\$5,200.00
Mob/demob over 151-200 miles	1	\$4,100.00	\$4,100.00
<b>TOTAL</b>			<b>\$17,600.00</b>

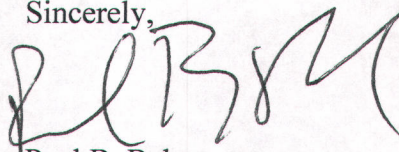
Within 30 days of receipt of this letter, you are hereby directed to:

- Revise your reclamation surety by increasing the amount to an appropriate level..

Failure to provide the amended NOI and update the reclamation surety as directed may result in enforcement action being taken by the Division which may include withdrawal of your permit and an order to commence reclamation of the site immediately.

If you have questions or concerns regarding this letter, please contact me at (801) 538-5261 or Wayne Western at 801 538-5263. Thank you for your help in completing this very important regulatory requirement.

Sincerely,



Paul B. Baker  
Minerals Program Manager

PBB:whw:pb

cc: Sue Fivecoat, Hanksville BLM ([sfivecoa@blm.gov](mailto:sfivecoa@blm.gov))  
John Reay, Hanksville BLM ([johnreay@blm.gov](mailto:johnreay@blm.gov))  
Opie Abeyta, BLM SO ([oabeyta@blm.gov](mailto:oabeyta@blm.gov))

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